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Cities exchange barbs in senior housing flap

By STEVE BARNABY
Farmington editor

The battle over senior citizen housing has escalated after sister city public officials exchanged letters with the Michigan State Housing Development Authority (MSHDA).

In an April 24 letter sent to MSHDA Director Richard Helmreich, Farmington Hills officials blasted the stand taken earlier by the Farmington City Council, saying it was "hypocritical." The Hills letter was signed by the entire legislative body.

The rift began when Farmington City Manager Bob Deadman, upon instruction from city council, sent a letter to Helmreich objecting to the Drake and Freedom roads location, saying the site was inappropriate for senior housing.

The Farmington letter was sent after the legislative body conducted a number of meetings with city residents who objected to the project being built on the city borderline.

Since the debate began over the proposed six-story project, Farmington councilmembers have expressed reluctance in getting into a disagreement with Farmington Hills officials.

In the 3½-page letter, Farmington officials tried to soften the blow by saying the correspondence was sent "with great reluctance."

In the Farmington letter, Deadman cited the MSHDA Housing for the Elderly Development Process manual and said the site selected for the housing project is deficient in several aspects when compared to manual stipulations. Among those areas listed as deficient by Farmington are:

- Isolation from all commercial, governmental and social services available in the community.

- Lack of street lights on public roads, sidewalks and other traffic control devices in the area.
- Lack of reliable transportation system.
- Inappropriate to build a six-story structure on a site already higher than the neighboring parcels.

"We believe that low income housing would be out of character when compared to surrounding neighborhoods. Farmington Hills has reviewed, and apparently rejected, the construction of low and moderate income housing in areas of their community which would be more compatible with this type of housing," the Farmington letter continues.

It went on to say that the site was chosen to "appease" the majority of residents in Farmington Hills who have objected to other locations.

The letter concludes by asking MSHDA to reject the plan or to at least decrease the building height to three stories.

But the Farmington Hills legislators wasted little time in poking holes through the city of Farmington's objections. They referred to the city of Farmington senior citizen project being built.

"The city of Farmington is being hypocritical. The six-story building for seniors they are building is surrounded on three sides by single homes in a neighborhood which is densely populated," said the Hills letter.

The letter also noted that city of Farmington officials have been critical of Farmington Hills projects in the past only to later imitate those same projects.

"A few years ago, the City of Farmington was critical of our developing an industrial park. Then when it was developed and received the plaudits of the state of Michigan, they tried to an-

nex it from us since we were then only a township," said the Hills letter.

Hills officials also noted that some land that Farmington did annex from the old township was rezoned from single family residential to multiple and business zoning.

"Thus, their present attitude is most puzzling and hypocritical," said the Hills officials.

The Hills letter accused the Farmington council of bucking into political pressure from a "few" of their residents.

Referring to the isolation argument fostered by Farmington, the Hills letter said, "It is difficult for us to understand how this development could affect residents of the city of Farmington if it is physically and socially isolated as claimed."

Already subsidized taxi service for senior citizens and expectations that the developer would provide additional bus service to nearby facilities was cited by the Hills correspondence.

Hills officials denied that the project was being built on the Freedom Road site to appease Hills residents who didn't wish to have senior facilities in other sections of the city.

"The City of Farmington Hills has two other senior citizen developments: Baptist Manor and Marlon Oakland West, which have subsidized rents.

"We have zoned another site on Orchard Lake Road for a mid-rise development permitting a 60-foot high building."

Ilogical and inconsistent were the words used by the Hills council to describe the argument that the site was isolated and would cause the surrounding residential area to deteriorate. Cited were studies made for Baptist Manor and Marlon Oakland were built. Neither neighborhood suffered a decrease in property values.

Bogus bond charges mount as Scherrer goes to jail

By MARY GNIEWEK

The Oakland County Prosecutor's office issued 40 more warrants against Farmington Hills attorney P. Scott Scherrer Friday, bringing to 50 the number of charges related to bogus land and bond deals that the 30-year-old attorney will face in Oakland County Circuit Court.

Most recently Scherrer was arraigned on 12 counts of taking money under false pretenses, 11 counts of embezzlement, eight counts of publishing false bonds, four counts of dealing as an unlicensed broker, three counts of giving false statements, and two counts of forgery.

The latest charges involve 12 alleged victims and a total of \$157,500. Farmington Hills Police Detective John Hedrick said the total scheme uncovered to date, which involves 10 previous warrants issued in the past two months, includes in excess of 30 alleged victims and \$3 million. Hedrick said more warrants will be issued.

The latest felonies could net Scherrer \$5,000 fines and 14 years in prison on each count. According to the prosecutor's office, there could be 100 charges lodged against Scherrer because the massive police investigation is exhausted.

The court entered a plea of not guilty for Scherrer, who stood mute on all counts before Farmington District Judge Michael J. Hand. For the second time since his arrest March 15, Scherrer was being held in the Oakland County Jail. He was unable to post a \$100,000 bond set by Judge Hand.

Until Friday, Scherrer was free on a \$50,000 cash bond.

NO PRETRIAL examination date was set Friday because Scherrer petitioned for a court-appointed attorney. The request was made by Michael B. Schloff, who along with Alex McGarry

is representing Scherrer on the 10 earlier charges.

Scherrer, dressed casually in a beige sweater, plaid shirt and brown slacks, attended the arraignment with his wife Barbara.

He told the court that he could not afford an attorney to represent him on the new set of charges.

"All of our property is in bankruptcy court. I have no money whatsoever," Scherrer said.

The court will consider his request this week.

The 40 charges include additional counts of selling fraudulent bonds in the name of Henry Ford Hospital, Inc. Scherrer is also charged with posing as an agent for Multi-Vest, Inc., a Fort Lauderdale, Fla. asset manager.

According to Mike Izzo, chief of warrants for Oakland County, Scherrer would pick a piece of property to be developed and act as agent in the deal.

"He's bringing an investor in for \$400,000 or \$500,000 and pay 9 to 13 percent interest over three or four years," Izzo said.

"He told some clients their money would be reinvested; others were to receive annual interest. He couldn't keep his records straight and missed a few payments."

TESTIFYING AT THE arraignment Friday was Gary Robertson, owner of Centennial Place Offices, 2230 W. Twelve Mile — the building that housed Scherrer's law practice.

Robertson said he arranged and was present last Monday at a meeting between Scherrer and John Chassey, a Florida business associate and investor, at the Red Cedars restaurant in Southfield.

According to Robertson's testimony, Scherrer assured Chassey he would repay an \$87,000 investment in full if "Chassey would be reasonable."

"Scott said if he had the money, he

would be a fool to get it (now)," Robertson recalled. "Scott said that if he was convicted, he would probably serve a year or a year and a half at most. He said he would probably live quite well after his release."

Michigan State Police Detective James Ewers requested the high cash bond be posted. He said Chassey told him Scherrer thought he'd serve not more than 18 months in prison, then go to the Grand Cayman Islands (in the Caribbean) and live as a millionaire.

"Scherrer could jump bond and secure his funds, then go to the Grand Cayman Islands and live like a millionaire," Ewers said.

Also disclosed in testimony Friday was the fact that Scherrer told police following his arrest in March that he believed a \$40,000 check was on his life. Scherrer is under police surveillance.

Mastectomy discussion group plans to meet

Oakland County women who have had breast cancer are invited to join the Michigan Cancer Foundation's mastectomy discussion group this spring.

"Our groups are structured so that participants may openly discuss their cancer experiences," said Jane Schaefer, coordinator of rehabilitation services at the foundation.

"The group will attempt to meet the individual needs of the members," she

said. "It will also deal with the individual's social, marital, vocational and economic concerns. The atmosphere within the group encourages talk."

The group will be led by a trained nurse and social worker. Enrollment is limited, and there is no charge.

For more information and to register, call the MCF's Oakland Service Center at 549-4650 weekdays.

The cancer foundation is a Torch Drive-United Way agency.



Leading the way

For the visually handicapped, Leader Dogs often hold the key to coping. Just ask Arda Perkins (foreground) of Dearborn and Robert Duesler (background) of Groversville, N.Y. They are among 280 student-Leader Dog teams at Leader Dogs for the Blind expected to graduate from the Avon Township school in fiscal 1978-79. The cost per team: \$4,750, which is raised entirely through contribu-

tions. There is no charge to the students. Ms. Perkins (and her dog Cubby) and Duesler (and his dog Duke) are training on the practice track on the school's 15 acres. When teamed with dogs of similar temperament, the blind often live fulfilling lives that thrive on the trust they develop in their furry companions. (Staff photo by Mindy Saunders)

Agents air gripes against Elliott's

By MARY GNIEWEK

Despite one case pending in Oakland County Circuit Court and one court-ordered \$100,000 settlement already doled out this year, Elliott Tours of Farmington Hills continues to be the largest tour operator in Michigan.

Irate customers have recently come out of the woodwork to air complaints — formally to consumer protection groups and the courts, informally to travel agents, hotel managers, reporters and other tourists.

The notoriety caused Elliott President J.M. Schubiner to defend the company last week in a letter mailed to local travel agents. Schubiner attributed the problems to a substantial increase in business in the past year. But complaints from agents and customers go further back.

Take the case of Mildred Boersma, an independent travel agent from Ann Arbor who was awarded \$10,000 in Farmington District Court in February by a sympathetic jury.

Boersma sued Schubiner after an April 1977 trip to Hawaii was botched by Elliott.

"A group of Polish war veterans from Detroit, some of my best customers and all experienced travelers, were scheduled to leave Detroit (Metropolitan Airport) at 3:35 p.m.," Boersma said.

"The first group arrived at 1:30 for a pre-departure party and were hustled on the plane by airline personnel. Then the plane left. The 21 there for the pre-departure party made the flight, two others did not."

Boersma paid \$493 to put a stranded Hamtramck couple on another Hawaii-bound plane.

"They had dreamed of going for years. It was an anniversary gift. I couldn't leave them there," he said.

Boersma's efforts to collect his money from Schubiner were unsuccessful.

"He didn't answer my phone calls or letters," Boersma said.

Having dealt with Elliott for 40 years ("Since World War Two," Boersma said) the Hawaii trip was the last straw in a long string of events.

"MOST CLAIMS ARE small. It takes time and pressure to sue, so most customers don't bother. But I'd had enough."

Though his court awarded booty was \$10,000, Boersma said his losses were closer to \$45,000.

"Mr. Schubiner has good trips if they work. They're a good bargain. But (Elliott) is one of the poorest organized entities I have ever seen."

So why does business boom for Elliott?

"Because there are enough people around who will sacrifice principles for money," said Rudy Reinhart of World-Wide Travel in Troy.

REINHART SAID he stopped booking tours through Elliott a year ago "because it was too much aggravation. They are hard to deal with. They do things like not give receipts for payment, charter a hotel and when the group arrives, there are no accommodations available. If the guy (Schubiner) can skate out of paying you money, he'll do it."

Three other lawsuits have been filed in recent years against Elliott in Oakland County Circuit Court. The latest, filed by the Douglas Company over a contract matter in January, is still pending in Judge John O'Brien's court.

Others have lodged complaints against Elliott, but have not taken legal action. Bill Fretz of Shelby is one example. He booked a four day Las Vegas weekend with Elliott, but it legally turned out to be three days.

"We were told the flight would leave at 9 a.m. Sunday," he said. "But when we got to the airport, the airline representative told us the flight would not leave until 8:30 p.m. The rep said Elliott knew about the change two weeks ahead of time. We finally got off the ground at 10:45 p.m."

"I don't think I'll ever book with them again."

SCHUBINER WAS not available for comment. An Elliott spokesman said no one else in the office was authorized to respond to the charges.

In the letter Schubiner mailed to travel agents last Thursday, he said Elliott handled 60,000 clients between November 1978, and April 1979.

Schubiner also said Elliott has tripled its refund staff attributed booking and communications problems to installation of a new computer and verified Elliott's financial stability with an attached copy of a letter from City National Bank.

Schubiner is president of both Elliott Tours and Elliott Travel, the second largest tour retailer in the state.

inside

MEET THE 'MAYOR'

What started out as a joke in our Inside Angles column has turned into a rather interesting story. We asked who the mayor of Clarencerville is. We soon found out through a rash of letters. To find out who is the unanimous choice, turn to Page 4A.

Agendas	6A
Community calendar	4B
Inside Angles	5A
Suburban Life	Section 2
Sports	Section 3
Travel	7B